

INDUSTRY CIRCULAR

OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE
ALCOHOL AND TOBACCO TAX DIVISION



WASHINGTON 25, D. C.

Industry Circular No. 65-21

September 1, 1965

SEMIMONTHLY TAX RETURNS

Brewers and others concerned:

The purpose of this circular is to give you advance information concerning changes being made in return periods, and the times for filing returns, covering deferred payment of taxes by brewers.

A change is being made in the periods to be covered by semimonthly returns for the deferred payment of taxes, so that each period will fall wholly within a calendar month. A change is also being made so that there may be a two-step increase in the period of time that the payment of taxes may be deferred.

The change to the new return period system will be made by providing a short transitional period commencing with the brewer's business day which begins on September 24, 1965, and continuing through his business day which begins on September 30, 1965. Your return, with remittance, for this period must be filed not later than October 5, 1965 (unless October 1, 4, or 5 is a statewide legal holiday in your State).

After this transitional period, the return periods will run from your business day which begins on the first day of each month through your business day which begins on the 15th day of that month, and from your business day which begins on the 16th day of each month through your business day which begins on the last day of that month. Also, if you are qualified for extended deferral you may file your returns, with remittances, for the first return period of each month as late as the 25th day of that month, and for the second return period of each month as late as the 10th day of the following month. You will continue to so file your returns, with remittances, for each return period to and including the last return period for the month of June 1966. Thereafter (that is, commencing with the return for the first return period for the month of July 1966), you may file your returns, with remittances, as late as the last calendar day of the return period next succeeding the period covered by the return. If you are not qualified for extended deferral, your returns and remittances must be filed as at present; that is, within three calendar days, excluding Saturdays, Sundays, and holidays. In any case, however, the new return periods will be followed beginning with the month of October.

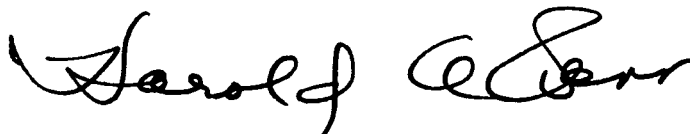
If you wish to become qualified for extended deferral, you must either give a consent of surety to extend the terms of your existing bond to cover the extended deferral, or give a new bond.

The new regulations will not require you to file any additional bonds or any consents of surety if you do not wish to utilize the option of extended deferral.

Where qualification for extended deferral is to be accomplished through the filing of a consent of surety, the consent may be made retroactively effective to the beginning of a return period if it is filed with and approved by your assistant regional commissioner before the expiration of the three-day filing time for that period. However, if a new bond is filed it may not be made retroactive, and it must be filed with and approved by your assistant regional commissioner before the commencement of the first return period for which it is to be effective.

These changes will be implemented by a Treasury decision which will add a new Subpart Y to the regulations in 26 CFR Part 170.

Inquiries regarding this circular should refer to its number and should be addressed to the office of your Assistant Regional Commissioner, Alcohol and Tobacco Tax.

A handwritten signature in dark ink, appearing to read "Harold A. Serr". The signature is fluid and cursive, with the first name "Harold" being more prominent and the last name "Serr" following in a similar style.

Harold A. Serr
Director, Alcohol and Tobacco Tax Division